

# **Department of Water Resources Electric Power Fund**

**Financial Statements (Unaudited)**

**As of February 28, 2002 and for the Eight Month Period  
from July 1, 2001 through February 28, 2002**

**Department of Water Resources Electric Power Fund**  
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**As of February 28, 2002, and for the Eight Month Period**  
**from July 1, 2001 through February 28, 2002**

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## Department of Water Resources Electric Power Fund

### Balance Sheet (Unaudited)

February 28, 2002

(in millions)

#### Assets

##### Current assets:

Cash and investments	\$	2,241
Restricted cash		66
Recoverable costs, current portion		1,964
Interest receivable		22
Total current assets		<u>4,293</u>

Recoverable costs, net of current portion		<u>6,750</u>
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Total assets	\$	<u><u>11,043</u></u>
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#### Capitalization and Liabilities

##### Capitalization:

Long-term debt, less current maturities (Note 1)		
Advances from State General Fund including accrued interest	\$	6,397
Interim loan, net of current portion		3,909
Total capitalization		<u>10,306</u>

##### Current liabilities:

Current portion of interim loan		391
Accounts payable		297
Accrued interest on interim loan		49
Total current liabilities		<u>737</u>

Total capitalization and liabilities	\$	<u><u>11,043</u></u>
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**Department of Water Resources Electric Power Fund**  
**Statement of Operations and Retained Earnings (Accrual Basis) (Unaudited)**  
**Period from July 1, 2001 to February 28, 2002** **(in millions)**

	February <u>only</u>	July through <u>February</u>
Operating revenues:		
Power sales	\$ 312	\$ 3,508
Total operating revenues	<u>312</u>	<u>3,508</u>
Operating expenses:		
Power purchases	227	3,499
20/20 Program		285
Administrative expenses	7	31
Amortization (deferral) of operating expenses	36	(622)
Total operating expenses	<u>270</u>	<u>3,193</u>
Income from operations	42	315
Other revenues (expenses)		
Costs incurred in anticipation of sale of revenue bonds	(1)	(10)
Interest income	11	89
Interest expense	(52)	(394)
Total other revenues (expenses)	<u>(42)</u>	<u>(315)</u>
Net income	0	(0)
Retained earnings at beginning of period	<u>-</u>	<u>-</u>
Retained earnings, February 28, 2002	<u>\$ 0</u>	<u>\$ (0)</u>

**Department of Water Resources Electric Power Fund****Statement of Cash Receipts and Disbursements (Unaudited)****Period from July 1, 2001 through February 28, 2002****(in millions)**

	February <u>only</u>	July through <u>February</u>
Cash receipts:		
Receipts from customers	\$ 221	\$ 2,833
Interest (Note 2)		67
Receipt from California ISO (Note 3)		148
Total cash receipts	<u>221</u>	<u>3,048</u>
Cash disbursements:		
Repayment to the General Fund (Note 4)		116
Payments for power	290	4,891
Interest on interim loan	51	120
Administrative costs and costs incurred in anticipation of sale of revenue bonds	<u>5</u>	<u>41</u>
Total cash disbursements	<u>346</u>	<u>5,168</u>
Change in cash during the period	(125)	(2,120)
Cash balance at beginning of period	<u>2,432</u>	<u>4,427</u>
Cash balance at February 28, 2002	<u>\$ 2,307</u>	<u>\$ 2,307</u>

## **Department of Water Resources Electric Power Fund**

### **Notes to Unaudited Financial Statements**

**Period from July 1, 2001 through February 28, 2002**

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Note 1: Advances from State General Fund and principal due after June 30, 2002, for the Interim Loan are treated as long term on the assumption that they will be replaced by revenue bonds by July 1, 2002.

Note 2: Interest on investments is received semi-annually.

Note 3: These funds were received from the California ISO through its settlement system. The funds have been refunded to the California ISO in compliance with a November 7, 2001, FERC order and are included in payments for power.

Note 4: Advances from the General Fund that were unexpended at the time the interim loan was funded in June 2001 were returned to the General Fund in July 2001.